

PREVAILED

Roll Call No. _____

FAILED

Ayes _____

WITHDRAWN

Noes _____

RULED OUT OF ORDER

HOUSE MOTION _____

MR. SPEAKER:

I move that Engrossed Senate Bill 128 be amended to read as follows:

- 1 Page 1, between the enacting clause and line 1, begin a new
2 paragraph and insert:
3 "SECTION 1. IC 5-10-5.5-7 IS AMENDED TO READ AS
4 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 7. **(a)** Upon election to
5 become a participant by any officer who is a member of the public
6 employees' retirement fund, the board shall transfer all creditable
7 service standing to the credit of the electing officer under the public
8 employees' retirement fund to the credit of the electing officer under
9 the retirement plan created by this chapter.
10 **(b)** Creditable service under this chapter, including credit for
11 military service, shall accrue and be computed and credited to
12 participants in the same manner and in the same amount as creditable
13 service accrues, is computed and credited under the public employees'
14 retirement law.
15 **(c) In addition to creditable service computed under subsection**
16 **(b), a participant is entitled to receive creditable service under this**
17 **chapter for the time the participant receives disability benefits**
18 **under a disability plan established under IC 5-10-8-7.**
19 SECTION 2. IC 5-10-5.5-7.5 IS ADDED TO THE INDIANA
20 CODE AS A NEW SECTION TO READ AS FOLLOWS
21 [EFFECTIVE JULY 1, 2007]: Sec. 7.5. **(a) As used in this section,**
22 **"board" refers to the board of trustees of the public employees'**
23 **retirement fund established by IC 5-10.3-3-1.**

1 (b) As used in this section, "public retirement fund" refers
2 collectively to:

- 3 (1) the public employees' retirement fund (IC 5-10.3);
4 (2) the Indiana state teachers' retirement fund (IC 5-10.4);
5 (3) the state police pension trust (IC 10-12); and
6 (4) the 1977 police officers' and firefighters' pension and
7 disability fund (IC 36-8-8).

8 (c) Subject to this section, a participant may purchase service
9 credit for the participant's prior service in a position covered by a
10 public retirement fund.

11 (d) To purchase the service credit described in subsection (c), a
12 participant must meet the following requirements:

- 13 (1) The participant has at least one (1) year of creditable
14 service in the retirement plan created by this chapter.
15 (2) The participant has not attained vested status in and is not
16 an active participant in the public retirement fund from
17 which the participant is purchasing the service credit.
18 (3) Before the participant retires, the participant makes
19 contributions to the retirement plan created by this chapter
20 as follows:

21 (A) Contributions that are equal to the product of the
22 following:

- 23 (i) The participant's salary at the time the participant
24 actually makes a contribution for the service credit.
25 (ii) A rate, determined by the actuary for the retirement
26 plan created by this chapter, based on the age of the
27 participant at the time the participant actually makes a
28 contribution for service credit and computed to result in
29 a contribution amount that approximates the actuarial
30 present value of the benefit attributable to the service
31 credit purchased.
32 (iii) The number of years of service credit the participant
33 intends to purchase.

34 (B) Contributions for any accrued interest, at a rate
35 determined by the actuary for the retirement plan created
36 by this chapter, for the period from the participant's initial
37 participation in the retirement plan created by this chapter
38 to the date payment is made by the participant.

39 (e) At the request of the participant purchasing service credit
40 under this section, the amount a participant is required to
41 contribute under subsection (d)(3) may be reduced by a trustee to
42 trustee transfer from a public retirement fund in which the
43 participant has an account that contains amounts attributable to
44 member contributions (plus any credited earnings) to the
45 retirement plan created by this chapter. The participant may
46 direct the transfer of an amount only to the extent necessary to
47 fund the service purchase under subsection (d)(3). The participant

1 shall complete any forms required by the public retirement fund
 2 from which the participant is requesting a transfer or the
 3 retirement plan created by this chapter before the transfer is made.

4 (f) At least ten (10) years of service in the retirement plan
 5 created by this chapter is required before a participant may
 6 receive a benefit based on service credit purchased under this
 7 section.

8 (g) A participant who:

9 (1) terminates employment before satisfying the eligibility
 10 requirements necessary to receive an annual retirement
 11 allowance; or

12 (2) receives an annual retirement allowance for the same
 13 service from another tax supported governmental retirement
 14 plan other than under the federal Social Security Act;

15 may withdraw the purchase amount plus accumulated interest
 16 after submitting a properly completed application for a refund to
 17 the retirement plan created by this chapter.

18 (h) The following may apply to the purchase of service credit
 19 under this section:

20 (1) The board may allow a participant to make periodic
 21 payments of the contributions required for the purchase of
 22 the service credit. The board shall determine the length of the
 23 period during which the payments must be made.

24 (2) The board may deny an application for the purchase of
 25 service credit if the purchase would exceed the limitations
 26 under Section 415 of the Internal Revenue Code.

27 (3) A participant may not claim the service credit for
 28 purposes of determining eligibility for a benefit or computing
 29 benefits unless the participant has made all payments
 30 required for the purchase of the service credit.

31 (i) To the extent permitted by the Internal Revenue Code and
 32 applicable regulations, the retirement plan created by this chapter
 33 may accept, on behalf of a participant who is purchasing
 34 permissive service credit under this chapter, a rollover of a
 35 distribution from any of the following:

36 (1) A qualified plan described in Section 401(a) or Section
 37 403(a) of the Internal Revenue Code.

38 (2) An annuity contract or account described in Section 403(b)
 39 of the Internal Revenue Code.

40 (3) An eligible plan that is maintained by a state, a political
 41 subdivision of a state, or an agency or instrumentality of a
 42 state or political subdivision of a state under Section 457(b) of
 43 the Internal Revenue Code.

44 (4) An individual retirement account or annuity described in
 45 Section 408(a) or Section 408(b) of the Internal Revenue
 46 Code.

47 (j) To the extent permitted by the Internal Revenue Code and

1 applicable regulations, the retirement plan created by this chapter
 2 may accept, on behalf of a participant who is purchasing
 3 permissive service credit under this chapter, a trustee to trustee
 4 transfer from any of the following:

5 (1) An annuity contract or account described in Section 403(b)
 6 of the Internal Revenue Code.

7 (2) An eligible deferred compensation plan under Section
 8 457(b) of the Internal Revenue Code."

9 Page 4, after line 7, begin a new paragraph and insert:

10 "SECTION 6. [EFFECTIVE JULY 1, 2007] IC 5-10-5.5-7, as
 11 amended by this act, applies to participants of the state excise
 12 police, gaming agent, and conservation enforcement officers'
 13 retirement plan established by IC 5-10-5.5-2 who become disabled
 14 after June 30, 2007.

15 SECTION 7. [EFFECTIVE JULY 1, 2007] IC 5-10-5.5-7.5, as
 16 added by this act, applies after June 30, 2007, to active participants
 17 in the state excise police, gaming agent, and conservation
 18 enforcement officers' retirement plan established by
 19 IC 5-10-5.5-2."

20 Renumber all SECTIONS consecutively.

(Reference is to ESB 128 as printed March 13, 2007.)

Representative Reske